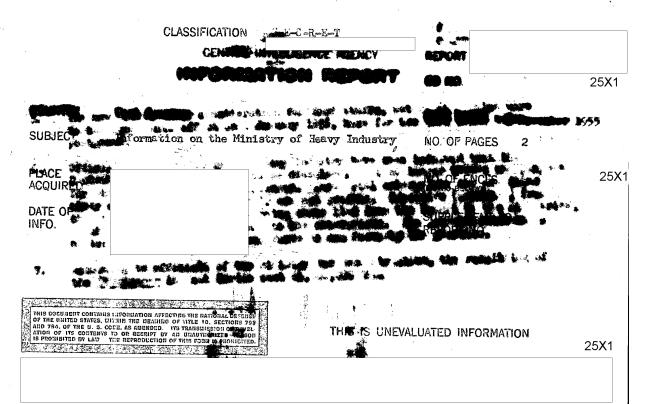
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ri e	CENTRAL INTELLIGENCE AGENCY	REPORT					
•	INFORMATION REPORT	CD NO. 25X1					
COUNTRY	East Germany	DATE DISTR. 8 November 1955					
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AND 794, OF THE ATION OF ITS C	CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE TATES, WITHIN THE MEANING OF TITLE 18, SECTIONS 793 E.U. S. CODE, AS AMENDED. ITS TRANSMISSION OR REVEL- ONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON Y LAW THE REPRODUCTION OF THIS FORM IS PROHIBITED.	25X1 LUATED INFORMATION					
Heavy Industry's position plan were unfilled as of September 1955. Ministery for Selbmann ordered State Secretary Richard Goschuetz to see to it that the positions were filled. According to discussions within the Ministry, one principal cause of the shortage was the fact that we many technicians had flad medical East Germany. In addition, many of the newly-trained technicians were poorly qualified and too, technical workers preferred working in the enterprises to work in the Ministry since the pay and bonus possibilities in the former were much better. The firafting and engineering unterprises (Projektierungs- und Konstruktionsbetriebe) were also experiencing a shortage of technical workers, particularly statisticians and engineers (Konstrukteure).  2. The expenditures planned by the Ministry for Heavy Industry for cultural, social and health purposes during 1955 amount to 10,940,000 DME. Anticipated for 1956 are expenditures of 11,542,500 DME, an increase of 5.5%. (Without including expenditures for research work, the increase amounts to 3.1%)  3. The new "Bookkeeping Ordinance" for East Germany was supposed to be published by September 1955 at the latest. The Ministry for Heavy Industry however has refused to accept the new draft. The new ordinance (completely eliminate) the old-volume 23, Newes Rechnungswesen, and also provides (completely eliminate) the old-volume 23, Newes Rechnungswesen, and also provides (completely eliminate) to the old-volume 23, Newes Rechnungswesen, and also provides (completely eliminate) to the old-volume 23, Newes Rechnungswesen, and also provides (completely eliminate) to the old-volume 23, Newes Rechnungswesen, and also provides (completely eliminate) to the old-volume 23, Newes Rechnungswesen, and also provides (completely eliminate) to the old-volume 24 (completely eliminate) to the old-volume 25 (completely eliminate) to the old-volume 25 (completely eliminate) the old-volume 25 (completely eliminate) to the old-volume 25 (completely eliminate) to the old-volume 25 (completel							
4.	On 12 September 1955, the Main Administration for the try for the Interior informed Minister Selbmann that ber SED party meetings had taken place at the VEB SE Brandenburg. At both meetings, discussion speakers altering the work norms and lowering wage levels (Iol ments were made to the effect that such measures could Germany only because the workers there, as opposed to had no right to strike. One worker was quoted as say some day - then we will chase the oppressors away with Secretary Goschuetz ordered the head of the Central I investigate the matter and to prepare a report on the tion at the Brandenburg plant.	on 30 August and 6 Septem- half und Eisenwalzwerk had objected to plans for hnrueckstufungen). State- ld be carried out in East those in West Germany, ying - "It will be different th clubs (Knueppel)". State					
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e new prices unde have gone into e stponed.	r consideration ffect on 1 Jan	on for food stuffs nuary 1956, have f	, water, etc., which were or the time being been	<b>;</b>
ficials of the Miutsche Investition which it was one ir own financing a stribution of the stribution o	te the	be dissolved, as it nded. Industrial own net profits. ing channelled from	been informed that the no longer serves the purenterprises are now date. Subsidies (Zuschuss) from the budget to the Mini. The Investitionsbank rly the practice.	es com stries.
e <u>Staatsoper</u> in E	ast Berlin co	st 64,000,000 DME.	the rebuilding	of 25X
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Comment:	These price	ncreases have been	n variously reported in	25 <b>X</b> 1
	,			25 <b>X</b> 1



- 1. A considerable number of technical positions on the East German Ministry for Heavy Industry's position plan were unfilled as of September 1955. Minister Selbmann ordered State Secretary Richard Coschucts to see to it that the positions were filled. According to discussions within the Ministry, one principal cause of the shortage was the fast that so many technicians had fled East Germany. In addition, many of the newly-trained technicians were poorly qualified and too, technical works a preferred working in the enterprises to work in the Ministry since the pay and bonus possibilities in the former were much better. The Arafting and engineering enterprises (Projektierungs- und Konstruktionsbetriebe) were also experiencing a shortage of technical workers, particularly statisticians and engineers (Konstrukteure).
- 2. The expenditures planned by the Ministry for Heavy Industry for cultural, social and health purposes during 1955 amount to 10,940,000 DME. Anticipated for 1956 are expenditures of 11,542,500 DME, an increase of 5.5%. (Without including expenditures for research work, the increase amounts to 3.1%)
- 3. The new "Bookkeeping Ordinance" for East Germany was surposed to be published by September 1955 at the latest. The Ministry for Heavy Industry however has refused to accept the new draft. The new ordinance will completely eliminate the old volume 25, Neuos Rechnungswesen, and also provides for the virtual abolishment of speed-up brigades because of the heavy workload.
- 4. On 12 September 1955, the Main Administration for the Volkspolized of the Ministry for the Interior informed Minister Selbmann that on 30 August and 6 September SED party meetings had taken place at the VEB Stahl— und Eisenwalzwerk Brandenburg. At both meetings, discussion speakers had objected to plans for altering the work norms and lowering wage levels (Lohnrueckstufungen). Statements were made to the effect that such measures could be carried out in East Germany only because the workers there, as opposed to those in West Germany, had no right to strike. One worker was quoted as saying = "It will be different some day then we will chase the oppressors away with clubs (Knueppel)", State Secretary Goschuetz ordered the head of the Central Department for Labor to investigate the matter and to prepare a report on the wage and work norm situation at the Brandenburg plant.

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5.	The new prices under consideration for food stuffs, water, etc., which were to have gone into effect on 1 January 1956, have for the time being been postponed.				
6.	Officials of the Ministry for Heavy Industry have been informed that the D-utsche Investitionsbank is to be dissolved, as it no longer serves the purpose for which it was originally intended. Industrial enterprises are now daing their own financing from their own net profits. Subsidies (Muschuss) from the state budget are also being channelled from the budget to the Ministries, which distribute the funds to the enterprises. The Investitionsbank is no longer the channel for these funds as was formerly the practice.				
7.	the Staatsoper in East Berlin cost $64,000,000$ DME.	25X1			
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